- other licensed site did you have besides Bay City?
- THE WITNESS: There were no, and I --
- JUDGE CHACHKIN: And you were referring, were you
- 4 not, in the first sentence, the currently operating site.
- 5 THE WITNESS: Yes, sir.
- JUDGE CHACHKIN: Licensed site?
- 7 THE WITNESS: Yes, sir.
- 8 JUDGE CHACHKIN: So wouldn't you have put down the
- 9 coordinates of your --
- 10 THE WITNESS: Which I very much --
- JUDGE CHACHKIN: -- licensed site?
- 12 THE WITNESS: Which i very much intended to do,
- 13 Your Honor. I just --
- 14 JUDGE CHACHKIN: Which you did, the licensed site
- 15 was Bay City, and these were the coordinates for Bay City?
- 16 THE WITNESS: No, they were not, sir. These were
- the coordinates for the proposed STA site.
- JUDGE CHACHKIN: I see.
- THE WITNESS: And I might add, though, Mr.
- 20 Aronowitz, that the Bay City coordinates are a part of the
- 21 FCC's database, have been since 1946. This was an easily
- 22 documented error.
- MR. ARONOWITZ: We will address that, and I will
- 24 ask questions relative to that.
- 25 //

1 BY MR. ARONOWITZ
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- 2 Q But for the time being I would just like to ask so
- 3 I can get my bearings through these applications. We will
- 4 get into those questions or what's in the Commission's
- 5 database or what's in your applications in a minute. But
- 6 I'm just trying for the moment to just get an understanding
- 7 of how --
- 8 A I made a mistake.
- 9 Q Okay. And we're going to look at that.
- 10 A And Exhibit --
- 11 Q We're going to ask a few more questions about
- 12 this.
- A And Exhibit E-3, page 1, and E-3, page 2, and E-1,
- page 1, very clearly demonstrate where 29 38 10 and 95 32 22
- 15 are.
- 16 Q I'm going to ask you about that, okay.
- 17 A Okay.
- 18 Q Let's go -- I just want to get an understanding
- 19 because I --
- 20 A The answer to the question is I made an error.
- 21 Q Okay.
- 22 A And it's --
- Q And so on the next paragraph where it says,
- "Proposed STA site," there are also some coordinates; is
- 25 that correct?

- 1 A Yes, sir.
- 2 O And those are the same coordinates as the first
- 3 paragraph?
- 4 A They are exactly the same.
- 5 Q And it's the Harris County site?
- 6 A Yes, sir.
- 7 Q And the usage of the coordinates here was correct?
- 8 A Yes, sir.
- 9 Q However, reading it on its face it looks like the
- 10 authorized site and the proposed site --
- 11 A Are one and the same.
- 12 Q -- are the same coordinates?
- 13 A Yes, sir.
- 14 Q Okay, I just want to check that out.
- 15 A Which -- again, which clearly points to the fact
- that I made an error in the first paragraph.
- 17 Q I think that's clear. Okay, but I want to get an
- 18 understanding of how this -- how this -- how this
- misunderstanding or how this error played its way through
- the application as they are here. I mean, we're not
- 21 changing anything. We just ask.
- 22 A Okay.
- Q Okay. Now, I believe you were -- you mentioned
- pages E-1, E-5, and I don't recall what you're saying. I'm
- 25 assuming that these are pages --

- 1 A Exhibit E-3, page 1 --
- Q Right, this would be one, two --
- 3 A -- is a --
- 4 Q This would be page 5, 6, 7, Exhibit 6 just so
- 5 we're all on the same page literally.
- 6 A It is page 6.
- JUDGE CHACHKIN: Has this been paginated?
- 8 MR. ARONOWITZ: I believe it's -- no, actually, it
- 9 has not, Your Honor.
- JUDGE CHACHKIN: Well, it might help if you
- 11 paginate it.
- MR. ARONOWITZ: Absolutely.
- 13 JUDGE CHACHKIN: So there is no confusion as to
- 14 what we're talking about here. So why don't you -- what did
- 15 you want as your first page here?
- MR. ARONOWITZ: It would be page 1, reflecting the
- 17 April 21 date.
- 18 JUDGE CHACHKIN: Page 1 would be what?
- 19 MR. ARONOWITZ: Would be the cover --
- JUDGE CHACHKIN: Would be the form?
- MR. ARONOWITZ: Would be the cover letter
- 22 reflecting the April 21 date.
- JUDGE CHACHKIN: Okay. Page 2 is then the FCC
- 24 processing form.
- MR. ARONOWITZ: Processing form.

1	TITICE	CHACHKIN:	And 3	ia?
<u> </u>		CHACHAIN:	Alia 3	TD:

- 2 MR. ARONOWITZ: Page 3 would be the first page of
- 3 the actual request where it says "Before the Federal
- 4 Communications Commission" on top. The next page would be
- 5 page 4, which has Mr. Werlinger's signature. Page 5 would
- 6 be a copy of the fee check. Page 6 would be what is
- 7 reflected by the facsimile number up at the top as page 6.
- 8 Page 7, the same way. And page 8 would be -- I think that's
- 9 a page 8, but it would be Exhibit E-1, page 1. Nine would
- 10 be the vertical plan sketch. Ten would be a depiction of
- 11 radials, of reflecting a facsimile page 5 in the upper
- 12 right-hand corner. And that's it.
- JUDGE CHACHKIN: Okay, so now what page are you
- 14 talking about?
- MR. ARONOWITZ: Turning to page 6.
- JUDGE CHACHKIN: All right.
- BY MR. ARONOWITZ:
- 18 Q Mr. Werlinger, are the correct coordinates for the
- 19 Bay City site contained here on page 6?
- 20 A They are -- they are not.
- Q Okay. Is there any -- okay, so turning to page
- 22 7 ---
- 23 A If I might note, however, Mr. Aronowitz, that this
- is a portion of a 250,000 USGS quadrangle. And if you will
- note, this is not a real good copy here, but if you will

- note you will see about -- coming from left to right about
- 2 two-thirds over on the page if you will see just across from
- 3 where it says "Proposed STA site," you will see a line drawn
- 4 from the top of the page to just below that site, and you
- 5 will see coordinates 95 30 00, and if you will come
- 6 diagonally to that point, below that you will see north
- 7 latitude 29 30 00.
- 8 Q Okay.
- 9 A So and FCC engineer could easily triangulate from
- 10 those two points and determine that the coordinates were
- 11 those of the STA site.
- 12 Q That may be true, Mr. Werlinger, but on this
- application does it show the authorized site at Bay City --
- 14 A Yes, sir.
- 15 Q -- on this page?
- 16 A Well, not on this page, sir, but on another page
- 17 it does.
- 18 Q Okay. That would be page 7?
- 19 A Yes, sir.
- 20 Q And you have the current -- and I'm resuming you
- 21 are referencing that bottom --
- 22 A KFCC is the former KIOX.
- 23 Q Right.
- 24 A When this STA application was presented, the call
- 25 sign KFCC had not been approved.

- 1 Q But there are no coordinates here?
- 2 A Again, sir, the triangulations, you see 29
- 3 degrees, 30 degrees.
- 4 Q I see that.
- 5 A Thirty-one degrees, 95 degrees, 96 degrees, 97
- 6 degrees.
- 7 Q Mr. Werlinger, is there something here that says
- 8 the current site and gives the coordinates for those sites,
- 9 I mean, other than finding them on the map?
- 10 A Does not, sir.
- 11 Q So there is nothing here that indicates that the
- 12 coordinates specified in page 3, which you term the "in
- error" coordinates would be the Bay City site?
- 14 A No, sir, they are not on there.
- 15 Q So on the face of this -- all right, let's turn to
- 16 page 8 of that exhibit.
- 17 A Again, I might add, though, that this is a routine
- 18 AM branch exhibit --
- 19 Q Mr. Werlinger, I am going to object and ask you to
- just be responsive to my questions. When you get to that, I
- 21 just want to make sure --
- 22 A One moment please.
- 23 (Pause.)
- BY MR. ARONOWITZ:
- Q All right, so there is -- on the face of the 4-21

- 1 STA, there was an error, and the coordinates for the Bay
- 2 City site really weren't given.
- A No, sir, they were not.
- 4 Q Such that if one were reading this for
- 5 coordinates, it would appear that you were trying to
- 6 construct an STA at your authorized site in Bay City?
- 7 A Which, of course, one would never ask to do.
- 8 Q That's not what I'm asking.
- 9 From the face of it, it looked as though you were
- trying to put an STA on your authorized site?
- 11 A There was one typographical error ever --
- JUDGE CHACHKIN: You have to answer the question,
- 13 Mr. Werlinger. You can explain it afterwards, but answer
- 14 the question.
- 15 THE WITNESS: It would depend on who was reading
- 16 it, I guess, Your Honor.
- 17 BY MR. ARONOWITZ:
- 18 Q But from the face if this there is nothing on the
- 19 coordinates that would suggest --
- 20 A I will say to you that the coordinates of the
- 21 licensed site are not contained within the documentation of
- this STA request.
- Q Okay. Let us turn, and just to pursue this
- 24 because I really want to let you explain this, I would like
- 25 you to turn to -- I would like you to turn to Mass Media

- Bureau Exhibit 18. And this purports to be the amended STA
- 2 request; is that correct?
- 3 A Yes, sir.
- 4 Q Okay. And this is a two-page document consisting
- of a cover memo, a facsimile cover sheet, and a new Exhibit
- 6 E-1, if you will.
- 7 A Yes, sir.
- 8 Q And this one reflects an existing tower -- excuse
- 9 me. Now I'm confused.
- In the May 2, 1995, STA, amended STA request, did
- 11 you make any mention of the authorized site, the correct
- 12 coordinates for the authorized site?
- 13 A I did not, sir.
- 14 Q Did you make any mention that the authorized
- 15 coordinates reflected in the 4-21-95 STA were incorrect vis-
- 16 a-vis the authorized site?
- 17 A No, sir, I did not.
- 18 At the time I was unaware that I had made the
- 19 mistake.
- 20 Q So on the May 5 -- the May 2nd STA request you
- 21 have a proposed site -- on page 2, you have coordinates that
- reflecting the proposed site in 4-21?
- 23 A Right.
- Q Okay. And you had an existing -- and you have on
- here a, or is there on here a depiction if an existing 180-

- 1 foot tower?
- 2 A Exhibit E-1, page 1, which is the second page.
- 3 Q Correct.
- 4 A Depicts an existing tower.
- 5 Q Okay. And that has an existing tower with
- 6 different coordinates from the proposed site; is that
- 7 correct, as reflected on this STA?
- 8 A That is correct.
- 9 Q So reading this one would view a --
- 10 A A distance of 250 feet.
- 11 O But a different site?
- 12 A Indeed.
- 13 Q Okay.
- 14 A Well, not a different site, but a different
- 15 location within a site.
- 16 Q Different coordinates?
- 17 A Different coordinates.
- 18 Q Okay. And in 4-21-95 -- in the 4-21-95 STA as
- 19 filed with the coordinates proposed -- if I might strike
- that, and I want to go in a different direction for a
- 21 moment.
- 22 MR. ARONOWITZ: Excuse me just a second.
- 23 (Pause.)
- MR. ARONOWITZ: I'll just be a second, Mr.
- 25 Werlinger.

1	(Pause.)
2	BY MR. ARONOWITZ:
3	Q On the April 21, 1995, STA request you made no
4	mention of the loss of the site, any specifics of the loss
5	of the site; is that correct?
6	A That's correct, sir.
7	Q You just said that the site was lost?
8	A Due to the loss of the site.
9	Q Due to the loss of the site.
10	And you have stated here, and in fact you state in
11	Exhibit 1 that there really was no emergency or condemnation
12	or other natural type of act that made the authorized site
13	unusable?
14	A No, sir, I made no such statement, nor was I
15	asked.
16	Q That's fine.
17	And in fact you acknowledge that it was caused by
18	the contractual obligations.
19	A Yes, sir.
20	Q And in fact you really did not ever address the
21	circumstances of the lost site
22	A My experience
23	Q at that time in the STA request, in either of
24	the STA requests?

That is correct, sir. My experience had been that

25

A

- the question had never come up in any STA requests that I
- 2 had ever been involved in before.
- JUDGE CHACHKIN: Well, you made a statement here
- 4 that you currently operate from a licensed site.
- 5 Did you in fact currently operate from a licensed
- 6 site?
- 7 THE WITNESS: As of the 20th of April, sir, I did
- 8 not. We had -- again, we had taken the station dark at that
- 9 point.
- 10 JUDGE CHACHKIN: Well, you never operated from a
- licensed site, did you? You never operated the station --
- THE WITNESS: As a licensee, I as the licensee,
- 13 no.
- 14 JUDGE CHACHKIN: But you made the statement that
- 15 you currently operate from a licensed site, and due to its
- loss of its currently licensed site.
- Now, doesn't that imply that you originally
- 18 operated or that you currently operate a licensed site, and
- now you've lost that licensed site?
- Now, is that a truthful statement in fact?
- 21 THE WITNESS: Well, under the terms of the
- 22 contract, Your Honor, yes, it was.
- JUDGE CHACHKIN: I'm not asking about the terms of
- 24 the contract. I'm asking what you told the Commission. You
- told the Commission that you currently operate from a

- licensed site. Now, you told me that you never operated
- 2 from a licensed site. So that was not a truthful statement
- 3 that you currently operated from a licensed site, was it?
- 4 THE WITNESS: Well, I guess it -- I didn't look at
- 5 it that way, Your Honor. The station had operated until
- 6 that point from that site.
- JUDGE CHACHKIN: But you under your tutelage never
- 8 operated from that site?
- 9 THE WITNESS: That is correct, sir.
- 10 JUDGE CHACHKIN: So if you never had a site, how
- 11 could you say you lost a site?
- 12 THE WITNESS: Well, Your Honor, the --
- JUDGE CHACHKIN: If you never operated from that
- site, how can you say that you lost your currently licensed
- 15 site?
- THE WITNESS: Well, actually, Your Honor, the --
- 17 under the strict interpretation -- in my understanding I
- 18 quess is the better word, under my understanding of the
- 19 Commission's rules that is the station's licensed site until
- 20 a construction permit is granted, constructed, a 302 is
- 21 submitted and approved, and a new licensed site is licensed.
- 22 So irrespective of whether -- again, this is my
- 23 understanding of the rules -- irrespective of whether I'm
- operating on an STA or not, that site remains the radio
- 25 station's licensed site.

- 1 Does that make sense?
- JUDGE CHACHKIN: Well, it says that, "Due to its
- 3 loss of its currently licensed site, Chameleon Radio
- 4 Corporation, licensee of KIOX, applied for as of April 21,
- 5 1995" --
- 6 THE WITNESS: Yes, sir.
- JUDGE CHACHKIN: "....respectfully requests
- 8 authority to operate from an alternate site.
- Now, my question is if you never operated in the
- 10 first place from the licensed site, then how do you make the
- 11 statement that you lost your licensed site?
- 12 THE WITNESS: Well, I --
- JUDGE CHACHKIN: I mean, is that a truthful
- 14 statement, if you never operated to say that you lost your
- 15 licensed site?
- THE WITNESS: Well, again, Your Honor, today the
- 17 Commission's database refers to that Bay City site as the
- 18 licensed site.
- JUDGE CHACHKIN: But Chameleon never operated from
- 20 there.
- 21 THE WITNESS: Well, not at that time, no.
- 22 JUDGE CHACHKIN: It never operated from there at
- 23 any time.
- THE WITNESS: Well, it does today.
- JUDGE CHACHKIN: Oh, it does today.

- 1 THE WITNESS: Yes.
- JUDGE CHACHKIN: Not at the time you asked for the
- 3 STA?
- 4 THE WITNESS: Not at the time of the STA, that's
- 5 correct.
- 6 (Pause.)
- 7 BY MR. ARONOWITZ:
- 8 Q Okay, so, in fact, none of this was disclosed in
- 9 the STA that when you took over the station you took it dark
- and you were not operating, none of that was disclosed?
- 11 A It was not.
- 12 Q And did you -- in the STA -- before I go to that,
- 13 Mr. Werlinger, in your experience you stated that you filed
- 14 a number of STAs in the past?
- 15 A Yes, sir.
- 16 Q To your knowledge, is city-grade coverage required
- 17 for the issuance of an STA?
- 18 A It was my experience that it was routinely waived.
- 19 Q But at least to ask for a waiver, it was at least
- a requirement that there be city-grade service; is that
- 21 correct, in an STA?
- A Actually, Mr. Aronowitz, it was my routine
- 23 practice to provide far more documentation that was required
- in asking for an STA, including maps of contours and so
- 25 forth.

- 1 Q Mr. Werlinger, that may --
- 2 A So I did not --
- Q -- be the case, but I am going to ask you a very
- 4 specific question.
- 5 A I was unaware that there was a specific
- 6 requirement that an STA put a city-grade contour over the
- 7 city of license at all times.
- 8 Q You just said that you knew that it was routinely
- 9 waived.
- 10 A I -- I knew that on a routine basis, if the
- 11 question was brought up, well, this thing doesn't put a five
- millivolt or in the case of an FM -- actually, I have never
- applied for an FM STA so I don't know how they act. But if
- the question was ever raised, you simply say it's an STA,
- 15 and it's waived. It was a non -- it was a non-issue in
- 16 every other STA I had ever filed for.
- 17 Q I'm going to ask you again, and I'm going to ask
- you to please try to stay with the answer and answer the
- 19 specific question.
- Did you understand that city-grade coverage was
- 21 required for an STA?
- 22 A I understood it. I also understood that it was
- 23 routinely a waived issue.
- 24 Q All right. So you understood there was a
- 25 requirement for city-grade coverage in an STA?

- 1 A Yes, sir.
- Q Okay. Did the 4-21 STA request disclose a lack of
- 3 city-grade coverage to Bay City?
- 4 A It very clearly on the map showing the five
- 5 millivolt contour did not include the City of Bay City.
- 6 Q In your recitation, in your narrative, in anywhere
- 7 was it explained that there would not be city-grade
- 8 coverage?
- 9 A No, it was not.
- 10 Q So, in other words, the only way to determine the
- city-grade coverage is to take your maps and kind of review
- 12 them --
- 13 A To do what the --
- 14 Q -- and figure out what it mean?
- 15 A To do what the Commission staff does.
- 16 Q And ultimately the Commission staff did in this
- 17 case; is that correct?
- 18 A Well, I think -- I think they did it initially as
- 19 well because the STA was granted.
- 20 Q And the STA was subsequently rescinded the first
- 21 time.
- 22 A That is correct.
- 23 Q And why was it subsequently rescinded, to your
- 24 knowledge?
- A Well, I got a series of telephone calls from Mr.

- 1 Vu.
- Q Mr. Werlinger, I am going to excuse you, and I'm
- 3 going to ask you to look at -- excuse me, I just want to
- 4 find it.
- I'm going to ask you to refer to -- oh, that's our
- 6 exhibit. I am going to ask you to turn to Mass Media
- 7 Exhibit 10. It's a May 18 letter rescinding the STA.
- 8 Does this letter give a reason for the recision?
- 9 A Yes, it does.
- 10 Q And what is that?
- 11 A It says, "Further study of your STA request
- reveals that KIOX(AM) does not cover the city of license,
- 13 Bay City, Texas, from the proposed transmitter site in
- 14 contravention of Section 73.24(i) of the Rules."
- Q Okay. So, in fact -- so going back, the 4-21 STA
- 16 and the 5-2 amendment did not disclose the lack of city-
- 17 grade in the narrative; is that correct?
- 18 A That's correct, sir.
- 19 Q And that essentially the Commission subsequently
- 20 rescinded it for lack of city-grade coverage to Bay City; is
- 21 that correct?
- 22 A That is the written reason, yes.
- Q Okay. We'll get there.
- Did the STA request, the 4-12 STA request, or the
- 5-2 amended STA request, did that disclose on the face of

- those applications that you would be moving -- that it was
- your intention to move the community of license to Houston?
- 3 A It was only referenced -- let's get back to it.
- 4 I'm sorry, what was the --
- 5 Q It was -- Exhibit 6 if the 4-21.
- 6 A The amended was 18.
- 7 Q And 18 is the 5-2 amendment. And I will try to be
- 8 clearer on that.
- 9 A The narrative on the 5-2 amendment says, "The
- tower in our original proposal will be the center tower of
- what will be a three-tower array. Again, we will have a
- Form 301 to you within 30 days of placing the STA on the
- 13 air. All we need is the time to take some readings off the
- 14 STA site in order to properly design the pattern."
- 15 I had discussed with Mr. Vu in detail the fact
- that we intended to change the city of license; that the new
- 17 city of license would be probably Missouri City, as in fact
- it turned out to be, and he was well aware of the fact that
- we intended to change the city of license as part of the
- 20 301.
- 21 Q But that's not contained in this application. I
- mean, none of that was reflected or set forth in the 4-21-95
- 23 STA request.
- A No, sir, and I don't know of any rule that would
- 25 require it.

- 1 Q Just want to make sure that I didn't overlook
- 2 something.
- 3 A But Mr. Vu was verbally made very well aware of
- 4 the fact that we intended to change the city of license on
- 5 the radio station.
- 6 O That's correct. That's what you say and I have no
- 7 problem with that. But I am now focusing on the 4-21 STA
- 8 and there is nothing here --
- 9 A There is nothing that refers to --
- 10 O -- that reflects the fact that it would be this
- 11 STA that would effectuate the change. In other words, that
- 12 you would then be serving -- that you would then be
- operating from Harris County and serving another community
- of license, in essence, because you wouldn't be serving Bay
- 15 City.
- A Well, in point of fact the Harris County site with
- 17 1,000 watts placed better than two millivolts over --
- 18 Q Is that required city-grade coverage?
- 19 A It is not, sir, but it is substantial coverage.
- The radio station could very easily be heard on an in-home
- 21 inexpensive radio at Bay City.
- 22 Q To your knowledge, do the Commission's rule
- 23 require that city-grade coverage to the community of
- 24 license?
- 25 A It does, and it is routinely waive.

- 1 Q Would that have been the community of -- the
- 2 requisition community of license?
- 3 A It would have been substantially -- it would have
- 4 been referred to as substantial coverage.
- 5 Q But it would not be the requisite city-grade
- 6 signal to Bay City?
- 7 A It would not, sir.
- 8 Q And, again, there is nothing in here reflecting
- 9 the fact that it is -- this STA or the 301 that might be
- 10 filed -- let me strike that.
- There is nothing on the face of the 4-21 STA or
- 12 the 5-2 amended STA that reflect that this STA would
- effectuate the community of license change for all intents
- 14 and purposes?
- 15 A Those -- using your words, no.
- 16 Q Using any other words would there have been any
- 17 other --
- 18 A Well, you say effectuate the community of license
- 19 change.
- Q Well, it -- all right.
- 21 Although you did not -- in the 4-21 STA request or
- 22 the 5-2 amended you didn't -- I think, if I understand your
- testimony, you didn't disclose the circumstances of the lost
- 24 site. You just said you lost it.
- 25 A The subject was never brought up, Mr. Aronowitz.

- 1 Nobody ever --
- 2 Q Do you know when the subject, if ever, was brought
- 3 up?
- 4 A I beg your pardon?
- Do you know when the subject was, if ever, brought
- 6 up?
- 7 A I think it was formally broached in the letter of
- 8 July 25th. However, in both my conversations with Messrs.
- 9 Burtle and Eads, I very clearly laid out the entirety of the
- 10 situation. And those two meetings occurred --
- 11 Q Did you tell them that -- when you say -- prior
- 12 to --
- 13 A I met with Mr Burtle on the 23rd of May, and Mr.
- 14 Eads on the 25th.
- 15 Q And at that time did you discuss the site loss?
- 16 A Yes.
- MR. ARONOWITZ: One second.
- 18 (Pause.)
- 19 BY MR. ARONOWITZ:
- 20 Q I'm going to ask you to refer to your -- well, no,
- 21 it's my statement. I'm going to ask you to turn to Mass
- Media Exhibit 7. And I'm going to ask -- are you there?
- 23 A Yes, sir.
- Q Mass Media Bureau Exhibit 7. I'm going to ask you
- to look down the page to No. 4.

- 1 A Yes, sir.
- 2 Q Could you read that, please?
- 3 A "Part of Chameleon's application for the STA state
- 4 that it lost its transmitter site. That statement was true
- 5 and there was no intention on my part to evade or
- 6 misrepresent any facts to the FCC. The site loss was
- 7 involuntary."
- 8 Q All right. And this is -- and I orient myself.
- 9 This is the first time that you advised the Commission in
- 10 writing that the site loss was "involuntary," is that
- 11 correct?
- 12 A I think that's the first time that I in writing
- used the word "involuntary." I meant it in reference to my
- 14 contractual obligations.
- 15 O I understand.
- 16 A I mean it today. I believe it was involuntary.
- 17 Q We will get there. We will get there, absolutely.
- And I think, just to skip a lot of questions, I
- 19 think you testified that the site loss was in fact a
- 20 contractual one.
- 21 A That's right.
- 22 Q There is no act of God or anything like that?
- 23 A No, sir.
- Q And that the contract that you refer to, the
- contractual loss, was when you acquired the station?

- 1 A Yes, sir.
- 2 Q And at that time you had no intention of occupying
- 3 the Bay City site; is that correct?
- 4 A That is correct, sir.
- 5 O And I believe you testified a few minutes ago that
- at the time of this deal, your acquisition of KFCC, the
- 7 previous licensee wished to retain access to their
- 8 transmitter;
- 9 A Well, access to the studio facilities.
- 10 O To the studio facilities.
- 11 A Their transmitter location is separate from that
- 12 site.
- 13 Q And when you acquired KFCC, you acquired this
- 14 property that is the subject of the lease and the leaseback
- and so on and so forth; is that correct?
- 16 A The original licensee who had sold the radio
- 17 station but not the property had a lease that they -- you
- 18 know, they leased the land upon which the building, which
- 19 was owned and the towers and so forth, back to the radio
- 20 station.
- 21 Q So Mr. Landrum, who was in essence the previously
- 22 licensee --
- 23 A Yes.
- Q -- had, he was just a leaseholder on that land.
- 25 He didn't own the land?

- 1 A He did not own the land.
- 2 Q When you acquired KFCC --
- 3 A He wished to remain on the land though.
- 4 Q He wished to remain on the land.
- 5 A Right.
- 6 Q But in order for this deal to go through he had to
- 7 assign -- initially he had to assign his leasehold back to
- 8 you?
- 9 A That is correct.
- 10 Q Okay.
- 11 A Which I then leased back to him.
- 12 Q We will get there.
- 13 And at that time he wished to retain access to the
- 14 land, to the property?
- 15 A Yes, sir.
- 16 Q And at that time you gave him a leaseback?
- 17 A Yes, sir.
- 18 Q And with that leaseback there was nothing that --
- 19 strike that.
- You leased back Mr. Landrum an ability to get on
- 21 that property?
- 22 A Use of the property.
- Q Use of the property.
- 24 A Quiet enjoyment thereof I think is how it's
- worded.